

This letter discusses metallurgical coke manufacturing. See 86 Ill. Adm. Code 130.330. (This is a GIL).

April 12, 2004

Dear Xxxxx:

This letter is in response to your letter dated October 23, 2003, in which you request information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at [www.ILTAX.com](http://www.ILTAX.com) to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

I received your letter dated October 8 along with the attached GIL. Thank you.

Our specific product, 'metallurgical coke', however, is *not* related to coal or mining. When coal is heated in a coke oven, impurities are burned off and the result is a form of carbon that is sold to companies like us for further processing. (We do not operate coal mines or coke ovens; we only process coke after it has been transformed from coal to coke.) In effect, our production process entails transforming coke into various sizes by using screening equipment. In the past, the screening equipment has qualified as exempt machinery. Our question, in light of the recent changes in tax regulations, is whether or not this exemption continues.

I do not believe the GIL you sent me addresses our screening equipment or production process. Is it possible to review the exemption repeals again and advise us accordingly?

Thank you for the clarification letter. The manufacturing machinery and equipment exemption would be available. Please see 86 Ill. Adm. Code 130.330.

I hope this information is helpful. If you require additional information, please visit our website at [www.ILTAX.com](http://www.ILTAX.com) or contact the Department's Taxpayer Information Division at (217) 782-3336. If you are not under audit and you wish to obtain a binding PLR regarding your factual situation, please submit a request conforming to the requirements of 2 Ill. Adm. Code 1200.110 (b).

Very truly yours,

Melanie A. Jarvis  
Associate Counsel

MAJ:msk